Lowering of Revenue Deficit

2258. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that revenue deficit has been brought down by 19 per cent or about Rs. 18,500 crore to Rs. 79,558 crore, if so, how Government propose to wipe out its revenue deficit by 2008-09 as is its avowed aim;

(b) whether the Kelkar Task Force's blue-print for improving direct tax collection and reducing leakages, calling for simpler procedures and fewer exemptions will be implemented; and

(c) whether Government propose to correct imbalance on expenditure side as done on exemption side by scrapping Section 80 and 80L of Income Tax Act?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Revenue Deficit in 2003-04 was Rs. 98,262 crore and it was reduced to Rs. 79,558 crore in 2004-05. Revenue Deficit is sought to be eliminated over a five year period ending 2008-09, as contemplated in the Fiscal Responsibility and Budget Management Act, 2003 and the National Common Minimum Programme. Government's plans to achieve this goal have been spelt out in the Medium Term Fiscal Policy Statement, Fiscal Policy Strategy Statement and the Finance Minister's Statement under Section 7 of the FRBM Act, presented to both the Houses of Parliament alongwith the General Budget 2005-06. The plans, *inter alia,* include measures for implification of tax system and rationalization of expenditure management as part of the Government's strategy to achieve the goal of elimination of revenue deficit by 2008-09.

Collection of Revenue

†2259. SHRI AJAY MAROO: Will the Minister of FINANCE be pleased to state:

(a) the changes noticed in collection of revenue during first three months after the implementation of VAT;

(b) whether figures in this regard have been submitted by the States where VAT is in force;

(c) if so, the details thereof;

†Original notice of the question was received in Hindi.